

THE DIRECTOR OF CENTRAL INTELLIGENCE

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National Intelligence Council

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NOTE FOR: Harry Rowen

FROM : Dave Gries *DG*

SUBJECT : Subjects that Paul Wolfowitz might want to explore

US relations with Japan are at a crossroads. The relationship is deteriorating slowly but surely on many fronts. There is no prospect for solving trade irritants. The Japanese are unlikely to meet our objectives on defense, but if they do, they will raise alarms all over East Asia.

Our bilateral relationship with China is like a bag of bones without flesh. Both sides know they want to go forward, but neither is clear about how fast or in what direction they want to proceed.

Neither ^{the} Korean nor Philippine administrations are very adept at handling internal problems, and Vietnam is bogged down in Kampuchea fighting a guerilla war, but Washington is not paying much attention. ASEAN is thriving. Australian politics are heating up, and the Southwest Pacific is less receptive to Seventh Fleet port calling than ever before.

Nonetheless, none of the above, except for Japan and China relationships, engage top policymakers.